3: Simutis S-4 (no date) 1942 RB5 Lithuanians RB5

and cigarette factories with 569 workers, continued to operate at about the same level throughout these past years.

LUMBER INDUSTRY

Some understanding of the lumber industry may be obtained from Table 38.[10] It will be observed that sawmilling

TABLE 38

LUMBER INDUSTRY

BRANCH OF INDUSTRY	1927		1930		1935		1938		1939 [a]	
	Establishments	*Workers*	*Establishments*	*Workers*	*Establishments*	*Workers*	*Establishments*	*Workers*	*Establishments*	*Workers*
Sawmilling	131	2,731	114	1,718	124	2,853	175	2,970	170	1,901
Plywood production	—	—	3	443	3	602	3	767	1	27
Cabinet-making	6	90	10	229	8	251	88	963	61	839

[a] After seizure of Klaipeda by Germany.

is the leading branch of the lumber industry, although it does not show great expansion. The same may be said of the plywood industry. The latter felt the greatest setback with the loss of Klaipeda. The lumber industry, producing mainly for export, was hit by the world depression more severely than any other industry.

Before the agricultural products industry was developed for export, lumber was one of the most important items exported from Lithuania. It is to be noted that with the ex-

[10] C.S.B., 1938 and 1939, pp. 170–71 and 160–61 respectively.

3: Simutis S-4 (no date) 1942 RB5 Lithuanians RB5

313 439 pansion of the lumber industry the exported products changed. In 1920 69.1 percent of lumber was exported as raw material as against 30.9 percent semifinished items, while in 1921 this percentage changed to 49.9 percent raw as against 50.1 percent semifinished.

In 1939 this industry experienced a severe blow with the seizure of Klaipeda by Germany, the industry having been concentrated in Klaipeda. With the return of the Vilnius region to Lithuania at the end of 1939, the lumber industry was compensated somewhat, but to what extent it was impossible to establish, since seven months later came the Soviet Russian occupation.

PAPER AND PRINTING INDUSTRY

289 433 The paper and printing industry of Lithuania in 1938 employed 2,615 wage earners and accounted for 8.4 percent of the gross value of Lithuania's industrial production and 10.8 percent of the net value. Therefore, from the standpoint both of the number of wage earners employed and of the value of production, it was in the fourth place. Like the lumber industry, it suffered in 1939 when Germany seized Klaipeda where several of the larger printing establishments were located. Before the German occupation of Klaipeda, Lithuania had 88 establishments with 2,679 workers, while thereafter she had 81 establishments with 1,613 workers.[11]

From the statistics available it may be seen that in 1913 this branch of industry was only in its infancy. In that year there were only 20 establishments with 284 wage earners in the province (gouvernement) of Kaunas, while in 1927, in the same region, there were 52 establishments with 2,115 wage earners. The industry reached its high point in 1930,

[11] C.S.B., 1938 and 1939, pp. 170–71 and 160–61 respectively.

465 wages, a rise in real wages of approximately 12% since 1931. In various individual branches, moreover, the wages standards of qualified workers were raised not only in 1937 but also in 1935 and 1936, which the above quoted average figures do not indicate, owing to the preponderance of unqualified workers, as a result of the frequent engagement of new employees.

* * *

464 433 The internal structure of Lithuanian industry in respect of the number of undertakings and the total number of employed workers in separate industrial branches are shown by the following Table No. 1.

288 433 464 On the basis of these statistics we may conclude that the largest number of workers, viz., 20.6% of all industrial workers in Lithuania to-day are employed in the textile industry. On an average, a staff of 88 workers pertains to one textile factory.

The first place in respect of the number of employed workers has, however, been reached by the textile industry in recent years, i. e. since 1935. Among all industrial branches in Lithuania it also shows the most intensive development. In spite of the crisis, the number of employed in the textile concerns since 1928 has steadily grown and in comparison with 1928 its position in 1937 had more than quadrupled (+317.5%).

This high level of the employed reflects, however, only the maximum utilization of labour capacity. Thus in 1937 the textile industry was the only branch that employed three shifts, since according to the number of undertakings, viz., 74, it stands far behind other branches.

313 433 464 In the second place stands the timber industry with 16.9% of the total number of workers and 17.6% of the number of undertakings. The size of the staffs rose by 51.1% during the period from 1928 to 1937, the most noteworthy increase having taken place in 1937.

262 433 464 In the third place follows the foodstuffs and luxury goods industry with 16.4% of the total number of workers. According to the number of undertakings (353 concerns or 28.3%), it is, however, entitled to the first place. The total number of the staffs in 1937 in comparison with 1928 shows an increase of 35.4%, which took place during the last three years. During

From this comparison it can be seen that the machine-manufactured flax to-day constitutes only a small part of the total exported quantity, i. e. that flax manufactured by the farmers forms the greatest portion. Nevertheless the industrial production shows a relatively more stable course (with the exception of 1934) than the rural supply. 248 433

The production of the textile industry proper has since 1931 on an average quadrupled. A much more powerful development therein is shown by silk-weaving, which in 1937 produced in round figures twenty times as many silk fabrics as in 1931, owing to the fact that it forms the youngest branch of our textile industry and was founded exactly in 1931. 288 433

The growth of the textile industry was undoubtedly promoted by the tariff policy (increase of the Customs duty on cotton fabrics in October, 1931, and again in April, 1932, on woollen and cotton fabrics) as also by the licence system (the import of woollen fabrics has been subject to licence since the introduction of the licence system, i. e. since December, 1932; that of cotton and silk yarns since August, 1934). This found expression in the sharp decline in 1932 of the imports of ready-made fabrics by half in round figures of the earlier imported quantity. The textile industry undoubtedly represents, concurrently with the production of knitted goods, the Lithuanian industrial branch best protected by tariff policy, which also explains its rapid growth and the concentration of large-scale undertakings in this branch. Notwithstanding this indisputable fact, it must none the less be recognized that, on the one hand, tariff protection is not equally apportioned (thus, for example, the duties on silk fabrics actually on an average amount to approximately 200% **ad valorem**; on cotton fabrics over 60%; and on linen fabrics only 25%), and that, on the other hand, the high duties on yarns (especially on artificial silk yarn) partially equalize the advantage of the high duties on ready-made fabrics. 439 651

3. The Timber Industry

To the timber industry, which may be designated the third most important industrial branch of Lithuania, accrued in 1937 16.9% of all the workers employed in the medium and wholesale manufacturing industry; 10.5% of the engine horse-power; 313 433

313 9.1% of the gross value, and 9.0% of the net value of the aggre-
433 gate industrial production.

The development of the timber industry since 1927 is shown by the following table:

	1927		1931			1937		
	No. of Concerns	No. of Workers	No. of Concerns	No. of Workers	Capacity of Engines in H. P.	No. of Concerns	No. of Workers	Capacity of Engines in H. P.
Total	185	3 446	193	4 308	10 676	219	5 346	13 186
Including:								
Plywood production	-	-	3	473	9 812	3	846	11 861
Sawmills	131	2 731	118	2 741		139	3 548	
Cabinet-makers	43	488	60	786	864	64	658	1 325
Other Branches	11	227	12	308		13	294	

It will be seen from the foregoing that the strongest group of the timber industry is formed by the sawmills. Its lower position until 1936 compared with the pre-war period is due to the loss of round timber formerly drawn from the Vilna region.
[464] The vigorous growth of its staff ensued for the first time in 1937. In 1936 the number of workers employed in the sawmills still amounted to only 2 712, a position therefore below the level of 1931. The impetus to the expansion of this branch was given by the greatly increased prices for sawn timber in 1937. The plywood industry, which like the sawmills works for export, had in 1929 already reached the peak of employed workers (851). For the first time in 1937 could the staff be brought again to the same position. The remaining branches, among them the most important, cabinet-making, judged by the dimensions of their staffs, grew only until 1931, and remain, notwithstanding the partial retrieval of the crisis losses, still below the position of that year.

Owing to the exceedingly large share of the special branches of the timber industry working for export, the contingent course of their production has been influenced to a greater degree and more rapidly by the world economic crisis than was the case with other industrial branches. The production index already cited in the previous chapter shows that the timber industry even in 1930 had suffered a setback, and for the first

time in 1934 surpassed the position of 1929. The following index figures, converted to 1931, show indeed constant growth: 313 433

1931	1932	1934	1935	1936	1937
100.0	105.3	148.5	163.9	183.5	208.0

The data on production quantities are as follows (in 1000 cubic metres):

	1931	1932	1934	1935	1936	1937
Sawn timber	256.5	280.6	304.2	294.7	282.8	335.7
Plywood	5.9	4.7	9.9	9.8	10.0	12.4
Match straws (in tons)	.	.	2 246	2 269	2 322	2 614

It will be seen from these figures that the development of separate production branches does not proceed uniformly. The recovery of sawn timber (this refers chiefly to the working-up of Russian round timber which since 1930 has been imported through the Memel Timber Syndicate) showed from 1932 to 1936 no great changes. For the first time the growth of production quantity in 1937 was able to exceed the position of 1931 by 30%. The plywood supply in 1937 doubled in comparison with 1931. It must, however, be noted in this context that the high position of 1929 (12 425 cubic metres), although caught up, could not be exceeded. The biggest advance is shown by the production of match straws. Its estimated amount in 1931 and 1932 was approximately 1 000 tons, and since then has increased more than two and a half times, i. e. thanks to the expanded export to the United Kingdom and the Dominions (Australia) since 1934. There are no quantity data available in respect of the remaining production branches of the timber industry. The above cited index figures reckoned on the basis of the production value and taking price changes into consideration show that on an average the scope of production of our timber industry has doubled since 1931, but that nevertheless its growth in comparison with 1929 amounts to only 75%.